Forecast for Budget:

Revenue Goes Up —Deficit Will, Too

OTTAWA (CP)—The budget Finance Minister Fleming will place before Parliament in a few months will be based on forecasts of rising federal revenue, arising from a sharp upswing in Canada's national production, informants said Thursday.

They said the indications now are that the Gross National Product—value of all goods and services produced—will climb by four or five per cent this year to a new high of some $33,700,000,000 from the final estimate of $32,100,000,000 for 1958.

Thus, without taking in the possibility of higher taxes, federal budgetary revenues for 1959-60 may run to about $5,000,000,000 compared with $4,700,000,000 for the current year.

However budgetary spending —not including outlays for old-age pensions—could run to some $5,600,000,000, up slightly from the $5,500,000,000 which likely will be the total for the present year ending next March 31.

On the basis of those estimates, informants said, the budgetary deficit for the current year could reach up to $800,000,000 and could still be a relatively high $600,000,000 for the next fiscal year.

A deficit of this latter size would make it difficult for the government to hold the line against expansion of the country's money supply.

Bran that's flavored?

Flavor as never before in a bran cereal! Actual tests prove it's more effective, too!

Better Try Better Tasting

NABISCO FOODS LIMITED

Purse Was Returned---Empty

Penniless after $38 was stolen from purse left in a downtown store was Mrs. Lorrie Arthurs, above, with baby Brenda Lee. Her husband, W. N. Arthurs, Sfe. 4, 2943 Bridge, is unemployed. Family has no money for food until next unemployment cheque. Purse was returned empty. (Colonist photo.)

Urged to Ship 'Commercial'

RCAF Now Fighting To Save Transports

OTTAWA (CP) — The RCAF, now battling to retain fighter planes, Thursday was faced with the prospect of a big reduction in numbers of its transport aircraft.

Only two days after Prime Minister Diefenbaker had again indicated that the government is unlikely to purchase the supersonic Arrow jet interceptor for the RCAF, the air transport board Thursday "very strongly" urged the government to divert to Canadian commercial air carriers "a much greater portion" of transport work now being done by the air force.

Transport Minister Hees told the Commons this particular recommendation will require further careful examination.

The air transport board said it has been alleged that in many cases commercial carriers could perform the RCAF's transport duties at less cost to the government.

Oil Sands A-Blast Studied

OTTAWA (CP)—A proposal to set off an atomic blast in the Athabaska oil sands of northern Alberta is being considered, Mines Minister Comtois told the Commons Thursday, but a report hasn't been made yet.

He was replying to Mervyn Hardie (L., Mackenzie River), who asked for a progress report on the proposal made by Richfield Oil Company to set off the blast in the portion of the sands under their lease.

The oil sands are reputed to be the world's biggest untapped oil reserve.

Nation's Best Air Cadets Honored Tonight in City

Canada's most efficient air cadets—the 140-strong in Victoria's No. 89 Air Cadet Squadron — will be honored tonight.

Top squadron among 800 across the country last year, the Victoria group will be awarded the RCAF Association proficiency trophy by Air Marshal W. A. Curtis, association president, at ceremonies at Work Point Barracks.

A parade, starting at 7.30 p.m. at the drill hall inside the Munro Street entrance, will precede inspection by the air marshal and presentation of the trophy, to take place in the radar building.

The award — accompanied by a scroll and a cash grant —is given yearly to the squadron which excels all others in training, community work, extra-curricular activities, administration and activity of the local sponsoring committee.

No. 89 Squadron, under Squadron Leader E. A. MacGowan, is sponsored by the Kinsmen Club here.

Lieutenant-Governor Frank Ross will be among provincial, civic, and municipal government representatives at the presentation.

Starr Tells Commons:

On Way Out of Slump

OTTAWA (CP)—Labor Minister Starr, replying to a Commons opposition charge of government inactivity in the face of unemployment, said Thursday Canada is well on the way out of the recession.

The accusation was made by Paul Martin (L., Essex East), who said the country faces "the most serious problem of unemployment that we have had since the dark days of 1930."

Their exchange during the Commons throne speech debate followed the minister's disclosure of figures indicating that unemployment was still on the rise early this month.

749,000 JOBLESS

He said that registration for jobs at the National Employment Service offices totalled 749,886 at Jan. 8. This was 46,485 less than the 796,371 registrations in January, 1958, but an increase of 176,649 from the 574,237 in the middle of last month.

In his speech afterwards, Mr. Starr stressed the 4.3 per cent decline from the level a year earlier, and said the NES figure at Dec. 24 was 2.2 per cent below the comparable week of 1957.

"These facts show that we are well on our way out of the recession," he said.

NET TOO LOW

Mr. Martin said the net figure of 749,886 at Jan. 8 was too low.

To that total should be added "possibly" another 50,000 who didn't register for jobs because they had exhausted unemployment insurance claims, plus another 50,000 fishermen not included in the list.

Mr. Starr replied that there were no more than 30,000 fishermen eligible for unemployment insurance. He said that Mr. Martin, in a forecast last July of this winter's unemployment, had overestimated December unemployment by 110,000.

'BUILD IT UP'

"He endeavored to build that up today so his prophecy would be a reality," the minister said.

There were these other Commons developments:

1. Opposition Leader Pearson appealed to the prime minister to intervene in the Montreal CBC producers strike. Mr. Diefenbaker turned over the question to Revenue Minister Nowlan, who reports to Parliament on broadcast matters, and he said the matter is "entirely in the hands of the management" of the publicly-owned corporation.

2. Trade Minister Churchill said no pressure appears to have been exerted from outside Canada to kill the sale of $1,000,000 worth of Canadian aluminum to Red China. Mr. Pearson had asked Thursday for such assurance.

★ ★ ★

Afraid to Say 'Boo' to a Goose

OTTAWA (CP) — Trade Minister Churchill says Liberal Leader Pearson, when external affairs minister, was "afraid to say boo to a goose."

In the Commons Throne Speech debate Wednesday, Mr. Churchill said the former Liberal government had taken a "timorous attitude" toward the United States.

"In those years, he (Mr. Pearson) was tip-toeing through the tulips, afraid to say boo to a goose," the trade minister said.

Anthem Opposed By Sect

TRAIL (CP) — The Orthodox Doukhobor organization Thursday opposed the singing of a national anthem and recognition of an oath of allegiance in public schools in a brief to a royal commission on education here Thursday.

The brief said, "We bear allegiance only to God as we are his subjects.

"We wish to go on record as strongly objecting to the indoctrination in the schools of imperialism and militarism, or the glorification of war and war heroes in any phase of the education program."

Queen, Prince Philip First Mansion Guests

Queen Elizabeth and Prince Philip will be the first official guests at Government House when they visit Victoria in July, Lieutenant-Governor Frank Ross said in his Throne Speech yesterday.

Treat Your Stomach With Respect

If you're drinking milk "to give it a rest", read how even ulcer sufferers find a *normal* diet better! Latest studies show your stomach *thrives* on everything edible. February Reader's Digest reports that your stomach is, in fact, a dependable companion — *emotions* permitting. Get your Reader's Digest today: 42 articles of personal and lasting interest.

RCA VICTOR STEREO

ORTHOPHONIC HIGH FIDELITY

IT PLAYS MUSIC THAT SURROUNDS YOU!

The "DEBONAIRE"

- Two-in-One stereo pickup plays Living Stereo and monaural records!
- Two-in-One amplifier so you can use your TV as the extra speaker!
- 4 speeds, 3 speakers!
- Diamond Stereo stylus!

ONLY 359.95

GENEROUS TRADE-IN NO DOWN PAYMENT

See Page 18 for More Features

RCA Victor Records From $1.98

YOUNG and BANFIELD

Fort at Blanshard EV 2-7181

Open Till 9 Tonight

VILAS

Traditional Furniture

For Casual Charm and Comfort In Living-Room Furniture

Colonial furniture that has enduring qualities which are to be found in simplicity of design and good appearance.

SETTEE	$178.00	KNEEHOLE DESK	$125.50
PLATFORM ROCKER	$95.00	WING CHAIR	$87.50
LOVE SEAT	$139.50	SWIVEL ROCKER	$108.00
WRITING TABLE	$46.50	OTTOMAN	$33.50
COFFEE TABLE	$29.50	BOOKCASE	$34.50
ROUND COFFEE TABLE	$43.50	STEP END TABLE	$33.50
BUTTERFLY END TABLE	$41.50	TRESTLE END TABLE	$24.50

Canada Winter Work Campaign JAN FEB MAR

DO IT NOW!

Visit the Home and See a Complete Display of VILAS MAPLE for Living Room, Dining Room and Bedroom

Open till 9 p.m. Fridays

HOME Furniture COMPANY

825 FORT ST. (Above Blanshard St.) Phone EV 2-5138

RENAULT

★ Fun-Styled by World Famous Designers

★ Four-Door Room and Comfort

★ Economy—Up to 44 Miles Per Gallon

★ Extra Safety with Rear Engine Roadability

★ Super Silent, Long-Lasting Water-Cooled Engine

★ Fun-Drive It Now at

VICTORIA CONTINENTAL CARS LIMITED

1011 JOHNSON ST.

Creamettes PIZZA STYLE

17¢ a serving

Recipe on package

Keep Your Eye on "CAPITAL" for Unusual Savings!

PRINT LINOLEUM — new

Reg. 65c, 69c, 75c per square yard—only

Dozens of modern designs in harmonious tones and colors. Beautiful for kitchens, bedrooms, bathrooms, halls, rumpus rooms, etc. 6 ft. wide. Imported from England. Made by one of her best manufacturers. A few yards of this consignment were slightly creased in shipment, but practically all of it is in perfect condition. 49¢ sq. yd.

SHEET POLYFOAM — new

Use for mattress pads, chair cushions, covering hassocks, etc. — anywhere you want an extra layer of soft, lasting padding. 1 inch thick, 54, 60, 72 inches wide. Per square foot, only 60¢

VACUUM BOTTLES—New One-pint, lunch-kit size 95¢

LUNCH KITS—New Black Japanned finish, each 1.25

TERRY TOWELS — new

Fluffy and soft, straight from the factory. Good quality bath and hand towels, in decorator colors. Stock up now at this Capital saving. Each 1.65, 1.49, 1.25 and 90¢

BLANKETS — Pure Wool

Cosy-warm, used but completely laundered and Sanitized . . . look like new, feel like new. Get extras for hunting, camping, as car rugs. Shades of greys. 3-lb. to 4-lb. weight. Size 64x80 inches $2.50

PLASTIC FOOD DISPENSERS — New Soft plastic squeeze type, for ketchup, mustard, dressing, etc. 19¢

ALUMINUM TRAYS—Used 18"x14"x¾" 1.19

GUARANTEED TO PLEASE OR MONEY REFUNDED

CAPITAL SUPPLY CO.

Next door to Capital Iron Phone EV 5-9703

1832 STORE STREET